

Adopted	Rejected
---------	----------

COMMITTEE REPORT

YES:	24
NO:	0

MR. SPEAKER:

*Your Committee on Ways and Means, to which was referred House Bill 1588, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Delete everything after the enacting clause and insert the following:
- 2 SECTION 1. IC 6-1.1-10-16.7, AS AMENDED BY P.L.179-2002,
- 3 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 4 JULY 1, 2003]: Sec. 16.7. (a) All or part of real property is exempt
- 5 from property taxation if:
- 6 (1) the improvements on the real property were constructed,
- 7 rehabilitated, or acquired for the purpose of providing housing to
- 8 income eligible persons under the federal low income housing tax
- 9 credit program under 26 U.S.C. 42;
- 10 (2) the real property is subject to an extended use agreement
- 11 under 26 U.S.C. 42 as administered by the Indiana housing
- 12 finance authority; and
- 13 (3) the owner of the property has entered into an agreement to
- 14 make payments in lieu of taxes under IC 36-1-8-14.2,
- 15 IC 36-2-6-22, or IC 36-3-2-11.

(b) An exemption under subsection (a) applies only to property tax liability for property taxes imposed by a county and any city or town on the property subject to the exemption.

SECTION 2. IC 36-1-8-14.2, AS ADDED BY P.L.186-2001, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 14.2. (a) **This section applies only to a municipality other than a municipality in a county with a consolidated city.**

(b) As used in this section, the following terms have the meanings set forth in IC 6-1.1-1:

- (1) Assessed value.
- (2) Exemption.
- (3) Owner.
- (4) Person.
- (5) Property taxation.
- (6) Real property.
- (7) Township assessor.

~~(b)~~ (c) As used in this section, "PILOTS" means payments in lieu of taxes.

~~(c)~~ (d) As used in this section, "property owner" means the owner of real property described in IC 6-1.1-10-16.7.

~~(d)~~ (e) Subject to the approval of a property owner, the governing body of a ~~political subdivision~~ **municipality** may adopt an ordinance to require the property owner to pay PILOTS at times set forth in the ordinance with respect to real property that is subject to an exemption under IC 6-1.1-10-16.7, if the improvements that qualify the real property for an exemption were begun or acquired after December 31, 2001. The ordinance remains in full force and effect until repealed or modified by the ~~governing~~ **fiscal** body, subject to the approval of the property owner.

~~(e)~~ (f) The PILOTS must be calculated so that the PILOTS are in an amount ~~equal to that is:~~

- (1) **agreed upon by the property owner and the fiscal body of the municipality;**
- (2) **a percentage of the property taxes that would have been levied by the fiscal bodies for the municipality and the county upon the real property described in subsection (e) if the property were not subject to an exemption from property**

1 **taxation; and**

2 **(3) not more than** the amount of property taxes that would have
 3 been levied by the ~~governing body~~ **fiscal bodies** for the ~~political~~
 4 ~~subdivision~~ **municipality and the county** upon the real property
 5 described in subsection ~~(d)~~ **(e)** if the property were not subject to
 6 an exemption from property taxation.

7 ~~(f)~~ **(g)** PILOTS shall be imposed as are property taxes and shall be
 8 based on the assessed value of the real property described in subsection
 9 ~~(d)~~ **(e)**. The township assessors shall assess the real property described
 10 in subsection ~~(d)~~ **(e)** as though the property were not subject to an
 11 exemption.

12 ~~(g)~~ **(h)** PILOTS collected under this section shall be:

13 **(1) deposited in: the**

14 **(A) a housing trust fund established under IC 36-7-14-50;**

15 **or**

16 **(B) an** affordable housing fund established under
 17 IC 5-20-5-15.5, **if a housing trust fund has not been**
 18 **established for the area including the property under**
 19 **IC 36-7-14-50; and**

20 **(2) used for any purpose for which the** ~~affordable housing~~ fund
 21 may be used.

22 ~~(h)~~ **(i)** PILOTS shall be due as set forth in the ordinance and bear
 23 interest, if unpaid, as in the case of other taxes on property. PILOTS
 24 shall be treated in the same manner as taxes for purposes of all
 25 procedural and substantive provisions of law.

26 ~~(i) This section does not apply to a county that contains a~~
 27 ~~consolidated city or to a political subdivision of the county.~~

28 SECTION 3. IC 36-2-6-22, AS AMENDED BY P.L.1-2002,
 29 SECTION 155, IS AMENDED TO READ AS FOLLOWS
 30 [EFFECTIVE JULY 1, 2003]: Sec. 22. (a) As used in this section, the
 31 following terms have the meanings set forth in IC 6-1.1-1:

32 (1) Assessed value.

33 (2) Exemption.

34 (3) Owner.

35 (4) Person.

36 (5) Property taxation.

37 (6) Real property.

38 (7) Township assessor.

1 (b) As used in this section, "PILOTS" means payments in lieu of
2 taxes.

3 (c) As used in this section, "property owner" means the owner of
4 real property described in IC 6-1.1-10-16.7 that is not located in a
5 county containing a consolidated city.

6 (d) Subject to the approval of a property owner, the fiscal body of
7 a county may adopt an ordinance to require the property owner to pay
8 PILOTS at times set forth in the ordinance with respect to real property
9 that is subject to an exemption under IC 6-1.1-10-16.7. The ordinance
10 remains in full force and effect until repealed or modified by the
11 ~~legislative~~ **fiscal** body, subject to the approval of the property owner.

12 (e) The PILOTS must be calculated so that the PILOTS are in an
13 amount ~~equal to that is:~~

14 **(1) agreed upon by the property owner and the fiscal body of**
15 **the county;**

16 **(2) a percentage of the property taxes that would have been**
17 **levied by the fiscal bodies of the county and any municipality**
18 **upon the real property described in subsection (d) if the**
19 **property were not subject to an exemption from property**
20 **taxation; and**

21 **(3) not more than** the amount of property taxes that would have
22 been levied upon the real property described in subsection (d) if
23 the property were not subject to an exemption from property
24 taxation.

25 (f) PILOTS shall be imposed in the same manner as property taxes
26 and shall be based on the assessed value of the real property described
27 in subsection (d). The township assessors shall assess the real property
28 described in subsection (d) as though the property were not subject to
29 an exemption.

30 (g) PILOTS collected under this section shall be: ~~distributed in the~~
31 ~~same manner as if they were property taxes being distributed to taxing~~
32 ~~units in the county:~~

33 **(1) deposited in:**

34 **(A) a housing trust fund established under IC 36-7-14-50;**
35 **or**

36 **(B) an affordable housing fund established under**
37 **IC 5-20-5-15.5, if a housing trust fund has not been**
38 **established for the area including the property under**

1 **IC 36-7-14-50; and**
 2 **(2) used for any purpose for which the fund may be used.**

3 (h) PILOTS shall be due as set forth in the ordinance and bear
 4 interest, if unpaid, as in the case of other taxes on property. PILOTS
 5 shall be treated in the same manner as taxes for purposes of all
 6 procedural and substantive provisions of law.

7 SECTION 4. IC 36-3-2-11, AS AMENDED BY P.L.170-2002,
 8 SECTION 140, AND AS AMENDED BY P.L.179-2002, SECTION 4,
 9 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 10 [EFFECTIVE JULY 1, 2003]: Sec. 11. (a) As used in this section, the
 11 following terms have the meanings set forth in IC 6-1.1-1:

12 (1) Assessed value.

13 (2) Exemption.

14 (3) Owner.

15 (4) Person.

16 (5) Property taxation.

17 (6) Real property.

18 (7) Township assessor.

19 (b) As used in this section, "PILOTS" means payments in lieu of
 20 taxes.

21 (c) As used in this section, "property owner" means the owner of
 22 real property described in IC 6-1.1-10-16.7 that is located in a county
 23 ~~(+) with a consolidated city. or~~

24 ~~(2) having a population of more than~~

25 (d) Subject to the approval of a property owner, the ~~legislative~~ **fiscal**
 26 body of the consolidated city may adopt an ordinance to require the
 27 property owner to pay PILOTS at times set forth in the ordinance with
 28 respect to real property that is subject to an exemption under
 29 IC 6-1.1-10-16.7. The ordinance remains in full force and effect until
 30 repealed or modified by the ~~legislative~~ **fiscal** body, subject to the
 31 approval of the property owner.

32 (e) The PILOTS must be calculated so that the PILOTS are in an
 33 amount *that is:*

34 (1) *agreed upon by the property owner and the ~~legislative~~ **fiscal***
 35 *body of the consolidated city;*

36 (2) *a percentage of the property taxes that would have been*
 37 *levied by the ~~legislative~~ **fiscal** body for the consolidated city and*
 38 *the county upon the real property described in subsection (d) if*

1 *the property were not subject to an exemption from property*
 2 *taxation; and*

3 (3) ~~equal to~~ *not more than* the amount of property taxes that
 4 would have been levied by the ~~legislative~~ **fiscal** body for the
 5 consolidated city and county upon the real property described in
 6 subsection (d) if the property were not subject to an exemption
 7 from property taxation.

8 (f) PILOTS shall be imposed as are property taxes and shall be
 9 based on the assessed value of the real property described in subsection
 10 (d). The township assessors shall assess the real property described in
 11 subsection (d) as though the property were not subject to an exemption.

12 (g) PILOTS collected under this section shall be:

13 (1) deposited in: ~~the~~

14 (A) **a housing trust fund established under IC 36-7-15.1-35.5;**

15 **or**

16 (B) **an affordable housing fund established under**
 17 **IC 5-20-5-15.5, if a housing trust fund has not been**
 18 **established under IC 36-7-15.1-35.5 for the area including**
 19 **the property; and**

20 (2) used for any purpose for which the housing trust fund may be
 21 used.

22 (h) PILOTS shall be due as set forth in the ordinance and bear
 23 interest, if unpaid, as in the case of other taxes on property. PILOTS
 24 shall be treated in the same manner as taxes for purposes of all
 25 procedural and substantive provisions of law.

26 SECTION 5. IC 36-7-14-45 IS ADDED TO THE INDIANA CODE
 27 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 28 1, 2003]: **Sec. 45. The general assembly finds the following:**

29 (1) **There exists within blighted, deteriorated, or deteriorating**
 30 **areas a shortage of safe and affordable housing for persons of**
 31 **low and moderate income.**

32 (2) **The planning, replanning, development, and**
 33 **redevelopment of housing within blighted, deteriorated, or**
 34 **deteriorating areas are public and governmental functions**
 35 **that cannot be accomplished through the ordinary operations**
 36 **of private enterprise because of:**

37 (A) **the necessity for the exercise of the power of eminent**
 38 **domain;**

- 1 **(B) the necessity for requiring the proper use of the land so**
- 2 **as to best serve the interests of the county and its citizens;**
- 3 **and**
- 4 **(C) the costs of these projects.**
- 5 **(3) The provision of affordable housing for persons of low or**
- 6 **moderate income does not compete with the ordinary**
- 7 **operation of private enterprise.**
- 8 **(4) It is in the public interest that work on the provision of**
- 9 **housing be commenced as soon as possible to relieve the need**
- 10 **for this housing, which constitutes an emergency.**
- 11 **(5) The absence of affordable housing in blighted,**
- 12 **deteriorated, or deteriorating areas necessitates excessive and**
- 13 **disproportionate expenditures of public funds for crime**
- 14 **prevention, public health and safety, fire and accident**
- 15 **prevention, and other public services and facilities.**
- 16 **(6) The planning, replanning, development, and**
- 17 **redevelopment of housing within blighted, deteriorated, or**
- 18 **deteriorating areas will do the following:**
- 19 **(A) Benefit the health, safety, morals, and welfare of the**
- 20 **county and the state.**
- 21 **(B) Serve to protect and increase property values in the**
- 22 **county and the state.**
- 23 **(C) Benefit persons of low and moderate income by making**
- 24 **affordable housing available to them.**
- 25 **(D) Reduce public expenditures required for governmental**
- 26 **functions such as police and fire protection and other**
- 27 **services.**
- 28 **(7) The planning, replanning, development, and**
- 29 **redevelopment of housing within blighted, deteriorated, or**
- 30 **deteriorating areas under this section and sections 32 through**
- 31 **35 of this chapter are:**
- 32 **(A) necessary in the public interest; and**
- 33 **(B) public uses and purposes for which public money may**
- 34 **be spent and private property may be acquired.**
- 35 **(8) This section and sections 46 through 49 of this chapter**
- 36 **shall be liberally construed to carry out the purposes of this**
- 37 **section and this chapter.**
- 38 **SECTION 6. IC 36-7-14-46 IS ADDED TO THE INDIANA CODE**

AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: **Sec. 46. (a) The commission shall establish a program for housing. The program, which may include such elements as the commission considers appropriate, shall be adopted as part of a redevelopment plan or amendment to a redevelopment plan and must establish an allocation area for purposes of sections 39 and 49 of this chapter for the accomplishment of the program.**

(b) The notice and hearing provisions of sections 17 and 17.5 of this chapter apply to the resolution adopted under subsection (a). Judicial review of the resolution may be made under section 18 of this chapter.

(c) Before formal submission of any housing program to the commission, the department shall consult with persons interested in or affected by the proposed program and provide the affected neighborhood associations, residents, and township assessors with an adequate opportunity to participate in an advisory role in planning, implementing, and evaluating the proposed program. The department may hold public meetings in the affected neighborhood to obtain the views of neighborhood associations and residents.

SECTION 7. IC 36-7-14-47 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: **Sec. 47. All of the rights, powers, privileges, and immunities that may be exercised by the commission in blighted, deteriorated, or deteriorating areas may be exercised by the commission in implementing its program for housing, including the following:**

(1) The special tax levied in accordance with section 28 of this chapter may be used to accomplish the housing program.

(2) Bonds may be issued under this chapter to accomplish the housing program, but only one (1) issue of bonds may be issued and payable from increments in any allocation area except for refunding bonds or bonds issued in an amount necessary to complete a housing program for which bonds were previously issued.

(3) Leases may be entered into under this chapter to accomplish the housing program.

(4) The tax exemptions set forth in section 37 of this chapter

are applicable.

(5) Property taxes may be allocated under section 39 of this chapter.

SECTION 8. IC 36-7-14-48 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: **Sec. 48. The commission must make the following findings in the resolution adopting a housing program under section 46 of this chapter:**

(1) The program meets the purposes of section 45 of this chapter.

(2) The program cannot be accomplished by regulatory processes or by the ordinary operation of private enterprise because of:

(A) lack of public improvements;

(B) existence of improvements or conditions that lower the value of the land below that of nearby land; or

(C) other similar conditions.

(3) The public health and welfare will be benefited by accomplishment of the program.

(4) The accomplishment of the program will be of public utility and benefit as measured by:

(A) provision of adequate housing for low and moderate income persons;

(B) increase in the property tax base; or

(C) other similar public benefits.

(5) At least one-third (1/3) of the parcels in the allocation area established by the program are vacant.

(6) At least three-fourths (3/4) of the allocation area is used for residential purposes or is planned to be used for residential purposes.

(7) At least one-third (1/3) of the residential units in the allocation area were constructed before 1941.

(8) At least one-third (1/3) of the parcels in the allocation area have one (1) or more of the following characteristics:

(A) The dwelling unit on the parcel is not permanently occupied.

(B) The parcel is the subject of a governmental order, issued under a statute or ordinance, requiring the

1 correction of a housing code violation or unsafe building
2 condition.

3 (C) Two (2) or more property tax payments on the parcel
4 are delinquent.

5 (D) The parcel is owned by local, state, or federal
6 government.

7 SECTION 9. IC 36-7-14-49 IS ADDED TO THE INDIANA CODE
8 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
9 1, 2003]: **Sec. 49. (a) Notwithstanding section 39 of this chapter,**
10 **with respect to the allocation and distribution of property taxes for**
11 **the accomplishment of a program adopted under section 46 of this**
12 **chapter, "base assessed value" means the net assessed value of all**
13 **the land as finally determined for the assessment date immediately**
14 **preceding the effective date of the allocation provision, as adjusted**
15 **under section 39 of this chapter. However, "base assessed value"**
16 **does not include the value of real property improvements to the**
17 **land.**

18 (b) The special fund established under section 39 of this chapter
19 for the allocation area for a program adopted under section 46 of
20 this chapter may be used only for purposes related to the
21 accomplishment of the program, including the following:

22 (1) The construction, rehabilitation, or repair of residential
23 units within the allocation area.

24 (2) The construction, reconstruction, or repair of
25 infrastructure (such as streets, sidewalks, and sewers) within
26 or serving the allocation area.

27 (3) The acquisition of real property and interests in real
28 property within the allocation area.

29 (4) The demolition of real property within the allocation area.

30 (5) To provide financial assistance to enable individuals and
31 families to purchase or lease residential units within the
32 allocation area. However, financial assistance may be
33 provided only to those individuals and families whose income
34 is at or below the county's median income for individuals and
35 families, respectively.

36 (6) To provide financial assistance to neighborhood
37 development corporations to permit them to provide financial
38 assistance for the purposes described in subdivision (5).

(7) To provide each taxpayer in the allocation area a credit for property tax replacement as determined under subsections (c) and (d). However, this credit may be provided by the commission only if the redevelopment commission establishes the credit adopted in the year before the year in which the credit is provided.

(c) The maximum credit that may be provided under subsection (b)(7) to a taxpayer in a taxing district that contains all or part of an allocation area established for a program adopted under section 46 of this chapter shall be determined as follows:

STEP ONE: Determine that part of the sum of the amounts described in IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2) through IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2) for that year as determined under IC 6-1.1-21-4(a)(1) that is attributable to the taxing district; by

(B) the amount determined under STEP ONE.

STEP THREE: Multiply:

(A) the STEP TWO quotient; by

(B) the taxpayer's taxes (as defined in IC 6-1.1-21-2) levied in the taxing district allocated to the allocation fund, including the amount that would have been allocated but for the credit.

(d) The commission may determine to grant to taxpayers in an allocation area from its allocation fund a credit under this section, as calculated under subsection (c), by applying one-half (1/2) of the credit to each installment of taxes (as defined in IC 6-1.1-21-2) that under IC 6-1.1-22-9 are due and payable on May 1 and November 1 of a year. The commission must provide for the credit annually by a resolution and must find in the resolution the following:

(1) That the money to be collected and deposited in the allocation fund, based upon historical collection rates, after granting the credit will equal the amounts payable for contractual obligations from the fund, plus ten percent (10%) of those amounts.

1 (2) If bonds payable from the fund are outstanding, that there
2 is a debt service reserve for the bonds that at least equals the
3 amount of the credit to be granted.

4 (3) If bonds of a lessor under section 25.2 of this chapter or
5 under IC 36-1-10 are outstanding and if lease rentals are
6 payable from the fund, that there is a debt service reserve for
7 those bonds that at least equals the amount of the credit to be
8 granted.

9 If the tax increment is insufficient to grant the credit in full, the
10 commission may grant the credit in part, prorated among all
11 taxpayers.

12 (e) Notwithstanding section 39 of this chapter, the special fund
13 established under section 39 of this chapter for the allocation area
14 for a program adopted under section 46 of this chapter may be
15 used only to do one (1) or more of the following:

16 (1) Accomplish one (1) or more of the actions set forth in
17 section 39(b)(2)(A) through 39(b)(2)(H) of this chapter.

18 (2) Reimburse the unit establishing the housing program for
19 expenditures made by the unit in order to accomplish the
20 housing program in that allocation area.

21 The special fund may not be used for operating expenses of the
22 commission.

23 (f) Notwithstanding section 39 of this chapter, the commission
24 shall, relative to the special fund established under section 39 of
25 this chapter for an allocation area for a program adopted under
26 section 46 of this chapter, do the following before July 15 of each
27 year:

28 (1) Determine the amount, if any, by which property taxes
29 payable to the allocation fund in the following year will exceed
30 the amount of property taxes necessary:

31 (A) to make, when due, principal and interest payments on
32 bonds described in section 39(b)(2) of this chapter;

33 (B) to pay the amount necessary for other purposes
34 described in section 39(b)(2) of this chapter; and

35 (C) to reimburse the unit establishing the housing program
36 for anticipated expenditures described in subsection (e)(2).

37 (2) Notify the county auditor of the amount, if any, of excess
38 property taxes that the commission has determined may be

1 **paid to the respective taxing units in the manner prescribed**
 2 **in section 39(b)(1) of this chapter.**

3 SECTION 10. IC 36-7-14-50 IS ADDED TO THE INDIANA
 4 CODE AS A NEW SECTION TO READ AS FOLLOWS
 5 [EFFECTIVE JULY 1, 2003]: **Sec. 50. (a) The general assembly finds**
 6 **the following:**

7 **(1) Federal law permits the sale of a multiple family housing**
 8 **project that is or has been covered, in whole or in part, by a**
 9 **contract for project based assistance from the United States**
 10 **Department of Housing and Urban Development without**
 11 **requiring the continuation of that project based assistance.**

12 **(2) Such a sale displaces the former residents of a multiple**
 13 **family housing project described in subdivision (1) and**
 14 **increases the shortage of safe and affordable housing for**
 15 **persons of low and moderate income within the county.**

16 **(3) The displacement of families and individuals from**
 17 **affordable housing requires increased expenditures of public**
 18 **funds for crime prevention, public health and safety, fire and**
 19 **accident prevention, and other public services and facilities.**

20 **(4) The establishment of a supplemental housing program**
 21 **under this section will do the following:**

22 **(A) Benefit the health, safety, morals, and welfare of the**
 23 **county and the state.**

24 **(B) Serve to protect and increase property values in the**
 25 **county and the state.**

26 **(C) Benefit persons of low and moderate income by making**
 27 **affordable housing available to them.**

28 **(5) The establishment of a supplemental housing program**
 29 **under this section and sections 46 through 49 of this chapter**
 30 **is:**

31 **(A) necessary in the public interest; and**

32 **(B) a public use and purpose for which public money may**
 33 **be spent and private property may be acquired.**

34 **(b) In addition to its other powers with respect to a housing**
 35 **program under sections 46 through 49 of this chapter, the**
 36 **commission may establish a supplemental housing program.**
 37 **Except as provided by this section, the commission has the same**
 38 **powers and duties with respect to the supplemental housing**

1 program that the commission has under sections 46 through 49 of
2 this chapter with respect to the housing program.

3 (c) One (1) allocation area may be established for the
4 supplemental housing program. The commission is not required to
5 make the findings required under section 48(5) through 48(8) of
6 this chapter with respect to the allocation area. However, the
7 commission must find that the property contained within the
8 boundaries of the allocation area consists solely of one (1) or more
9 multiple family housing projects that are or have been covered, in
10 whole or in part, by a contract for project based assistance from
11 the United States Department of Housing and Urban Development
12 or have been owned at one time by a public housing agency. The
13 allocation area need not be contiguous. The definition of "base
14 assessed value" set forth in section 49(a) of this chapter applies to
15 the special fund established under section 39 of this chapter for the
16 allocation area.

17 (d) The special fund established under section 39 of this chapter
18 for the allocation area established under this section may be used
19 only for the following purposes:

20 (1) Subject to subdivision (2), on January 1 and July 1 of each
21 year the balance of the special fund shall be transferred to the
22 housing trust fund established under subsection (e).

23 (2) The commission may provide each taxpayer in the
24 allocation area a credit for property tax replacement in the
25 manner provided by section 49(b)(7) of this chapter.
26 Transfers made under subdivision (1) shall be reduced by the
27 amount necessary to provide the credit.

28 (e) The commission shall, by resolution, establish a housing trust
29 fund to be administered, subject to the terms of the resolution, by:

30 (1) the division or department of the unit establishing the
31 housing program; or

32 (2) the department, division, or agency that has been
33 designated to perform the public housing function by an
34 ordinance adopted under IC 36-7-18-1.

35 (f) The housing trust fund consists of:

36 (1) amounts transferred to the fund under subsection (d);

37 (2) payments in lieu of taxes deposited in the fund under
38 IC 36-1-8-14.2 or IC 36-2-6-22;

- (3) gifts and grants to the fund;**
- (4) investment income earned on the fund's assets; and**
- (5) other funds from sources approved by the commission.**

(g) The commission shall, by resolution, establish uses for the housing trust fund. However, the uses must be limited to:

- (1) providing financial assistance to those individuals and families whose income is at or below eighty percent (80%) of the county's median income for individuals and families, respectively, to enable those individuals and families to purchase or lease residential units within the county;**
- (2) paying expenses of administering the fund;**
- (3) making grants, loans, and loan guarantees for the development, rehabilitation, or financing of affordable housing for individuals and families whose income is at or below eighty percent (80%) of the county's median income for individuals and families, respectively, including the elderly, persons with disabilities, and homeless individuals and families; and**
- (4) providing technical assistance to nonprofit developers of affordable housing.**

(h) At least fifty percent (50%) of the dollars allocated for production, rehabilitation, or purchase of housing must be used for units to be occupied by individuals and families whose income is at or below fifty percent (50%) of the county's area median income for individuals and families, respectively.

(i) The low income housing trust fund advisory committee is established. The low income housing trust fund advisory committee consists of eleven (11) members to be appointed by the redevelopment commission. The members appointed by the commission must include representatives of:

- (1) elected or appointed officials from the governmental entities governing the county and each municipality in which the supplemental housing program is located; and**
- (2) other members who are capable of representing the interests of the following:**
 - (A) Banks and other financial institutions.**
 - (B) Low income families.**
 - (C) Owners of subsidized, multifamily housing**

- 1 communities.
- 2 (D) Neighborhood associations.
- 3 (E) Community based organizations.
- 4 (F) Social services agencies.
- 5 (G) Other agencies involved in homeless intervention and
- 6 prevention.
- 7 Members of the low income housing trust fund advisory committee
- 8 serve for a term of four (4) years and are eligible for
- 9 reappointment. If a vacancy exists on the committee, the
- 10 appointing authority who appointed the former member whose
- 11 position has become vacant shall appoint an individual to fill the
- 12 vacancy. A committee member may be removed at any time by the
- 13 appointing authority who appointed the committee member.
- 14 (j) The low income housing trust fund advisory committee shall
- 15 make recommendations to the commission regarding:
- 16 (1) the development of policies and procedures for the uses of
- 17 the low income housing trust fund; and
- 18 (2) long term sources of capital for the low income housing
- 19 trust fund, including:
- 20 (A) revenue from:
- 21 (i) development ordinances;
- 22 (ii) fees; or
- 23 (iii) taxes;
- 24 (B) financial market based income;
- 25 (C) revenue derived from private sources; and
- 26 (D) revenue generated from grants, gifts, donations, or
- 27 income in any other form from a:
- 28 (i) government program;
- 29 (ii) foundation; or
- 30 (iii) corporation.
- 31 (k) The treasurer of the unit establishing the commission shall
- 32 invest the money in the fund not currently needed to meet the

- 1 **obligations of the fund in the same manner as other public funds**
- 2 **may be invested.**

(Reference is to HB 1588 as introduced.)

and when so amended that said bill do pass.

Representative Crawford